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California's star turn

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The US continued to dominate North American FDI, with California being the stellar state, but Canada put in an impressive performance in 2008. In Latin America, Mexico and Brazil remain the top two destination countries.

FDI into North America grew by 13% in terms of number of projects, 81% in capital investment and 11% in jobs created in 2008, compared to 2007 figures, with both growth in projects and jobs being below the global average. The US received 81% of projects, 83% of capital investment and 76% of jobs created out of the total in North America during 2008.

However, Canada achieved higher annual growth for all indicators in comparison with the US. During 2008, Canada increased its number of projects secured by 31%, capital investment by 122% and jobs created by 55% on 2007 figures. Meanwhile, the US achieved growths of 10%, 74% and 2%, respectively.

Strong players

In 2008, the top five destination states for inward investment accounted for 37% of total projects, 52% of capital investment and 34% of jobs created.

California was the top destination state during 2008, accounting for 12% of total projects destined for North America – an increase of 34% on 2007 figures. Out of all the regions, the highest number of new jobs was created in California, accounting for 9% of the total.

Ontario was the top region in Canada and third in North America for inward investment in terms of both number of projects and new jobs created. Ontario attracted 42% of Canada's total new projects, 22% of capital investment and 26% of new jobs created. In terms of North America as a whole, Ontario secured 8% of projects, 6% of jobs and 22% of capital investment. Quebec also received a large proportion of the capital investment into Canada during 2008.

Alaska received by far the largest amount of capital investment, securing 30% of the North American total. However, the lion's share of this investment was for just one project – TransCanada's pipeline to carry natural gas from the Arctic to US markets.

Rankings debut

Illinois made its debut in the top five destination states in 2008, having formerly ranked on average in eighth position. The number of FDI projects secured by Illinois grew by 33%, while the number of jobs secured grew by a staggering 137% on 2007 figures. Capital investment on the other hand remained relatively unchanged, suggesting that the average project actually involved less investment during 2008 compared with 2007.

As has been the case since the statistics were first recorded in 2003, New York attracted more FDI projects than any other city in North America as well as increasing the number of projects by 20%

on 2007 figures. New York also secured among the highest number of new jobs created, second only to Los Angeles.

Toronto was the second most attractive city, securing 37 new FDI projects and about 3600 new jobs. While Toronto remains in a strong position on the league table it had low growth in its number of projects compared to 2007 (9%) and negative growth in both capital investment (-34%) and jobs created (-27%).

The top five destination cities accounted for 17% of total projects, 15% of capital investment and 14% of new jobs created in North America.

Latin and Caribbean growth

FDI into Latin America and the Caribbean continued to grow, attracting 1106 new projects, \$124bn in capital investment and 416,606 in new jobs. These figures represented growth of 39%, 104% and 58%, respectively, all of which are far above global averages.

The top five destination countries attracted 76% of the total projects, 77% of capital investment and a staggering 81% of new jobs created in the region.

Mexico alone accounted for 31% of total FDI projects set up in the region. The country secured 346 projects, \$31bn in capital investment and 143,741 new jobs, all of which equates to growth above the regional averages.

Brazil received the most capital investment, accounting for 28% of the regional total and achieving a 107% annual growth. Interestingly, Brazil, although still in second position to Mexico in terms of jobs created, achieved a higher annual growth of 151% of jobs created.